

COLLABORATE TO SUCCEED

Marine Charbonnier and Florence Carret, of AXA Corporate Solutions Financial Solutions department, define how they understand their clients by using a collaborative methodology to best serve their needs

Captive Review (CR): What are the initial steps AXA CS take to help clients understand how best to run their captive from implementation and throughout the captive's life cycle?

Marine Charbonnier (MC): As an insurer, AXA CS mainly helps with technical and operational issues surrounding the captive, while also assisting with all regulatory and compliance considerations.

Florence Carret (FC): AXA CS has a strong relationship with captive clients. In 2016, 200 captives were fronted by AXA CS, which represents about €400m (\$475m) in ceded premiums. Our long-term experience leads us to organise ourselves with a central dedicated team, so the relevant information flows to all AXA CS people involved (underwriting, claims, reinsurance, financial, and legal departments).

MC: Clients and their captives have access to our captive coordination team which is highly experienced in all manner of captive considerations that must be known about from inception and onwards.

The aim is that the underwriters are very closely aligned with the clients' captive strategy, so we work closely with clients, their brokers and captive managers in order to provide the best services and solutions. And we are also able to tailor solutions to client's specific needs and overall objectives.

Marine Charbonnier



Marine Charbonnier joined AXA Corporate Solutions in 2013 with her diverse experience in all aspects of captive needs and customised solutions for each business situation: creation of a captive, programme structuration, underwriting, etc. Her role is to advise clients, brokers and captive manager, identifying financial solutions for their specific risks.

Florence Carret



Florence Carret is an expert underwriter at the A.R.T. Integrated Solutions Dept. of AXA Corporate Solutions. She joined AXA CS in 2016 and was previously broker at Willis Towers Watson (Paris). She focuses on the development of tailor-made solutions for captive clients. Florence holds a Master degree in financial risk and a Master degree in Risk Management.

FC: We help captives in their creation, providing support for the formalising of underwriting files, for example, or technical business plans with loss modelling. We also work on portfolio transfer and commutation. The scope is huge!

For existing captives, we work with all stakeholders in the early stage of international programme renewals on the validation of the captive cession, their own

fund impacts, a potential protection with multiline structured stop loss. Regarding our fronting services, we can set up specific processes, depending on the complexity of financial flows such as budget and account reconciliation, regularly meeting to prepare annual accounting closures.

CR: How does the help you offer to captives vary depending on whether they are new to the marketplace or more experienced?

FC: A new captive will probably have less reserves than an experienced one, so both shall have a different risk appetite. Frequently, as new captives have to become familiar with all aspects linked to their environment (claims underwriting view versus accounting view, solvency requirements, legal and tax consideration, impact on consolidated accounts, cash policy) they are quite often involved in "traditional risks", whereas an experienced captive, with large reserves, should have more flexibility in its underwriting policy.

MC: That's why we are also particularly involved in emerging risk issues underwritten by captives such as non-contingent business interruption - Hurricane Irma has raised interesting questions among our clients - including weather risk in partnership with AXA Global Parametrics, reputational risk and cyber. Presently, we have a team that is about to design very specific policies



for them, and we also have experienced people working on such claims. Those policies are very close to the specific business models of our clients, because the financial impact of such claims can have a real impact on their entities. We are always ready to listen, understand and translate such emerging risks into an insurance solution for those clients.

CR: What added value differentiates AXA from other firms within the marketplace?

MC: We offer high quality support services to front captives with innovations within this area. For instance, we use specific IT tools; one of those is called 'IP Tracker' – a tool able to track the premiums within international programmes, so that clients have a clear view in real time on the premium flows. This insight is very useful for the captive itself, the risk manager and the account consolidation as cash is an important issue for all clients.

FC: Another important point is compli-

“We work closely with clients and brokers in order to provide the best services and solutions”

ance: we work in a highly regulated sector which impacts AXA CS and our captives' clients. We can easily understand captives' constraints, and this is why AXA teams involved in captive clients' management are regularly trained on hot topics such as Beps and Solvency II.

MC: Also, we are client focused. Having been involved in this area for a number of years, we have knowledge and expertise because our captive coordination team includes people who have brokerage, advice and captive management experience. This in-depth knowledge means

we can readily adapt to the continually changing needs of captives with ease.

FC: We work very closely with other AXA entities. We are able to answer our captive clients' requests regarding professional asset management, for instance with AXA Investment Management.

We have access to a wide expertise within the AXA Group: portfolio buy-back in partnership with AXA Liabilities Managers, integration of employee benefits in the captive with MAXIS, or group pensions with AXA UK and AXA France. With AXA Partner, we can support captives to develop affinity solutions. Basically, if a client has a question related to its captive, we are pretty sure that we'll have the right person within AXA Group to answer it!

MC: Furthermore, our team has close links with market players in the captive industry such as reinsurers, accountants, actuaries, consultants and other associations. This level of connectedness helps us to serve our clients in the most effective and pragmatic way. 🌐